

**HOUSING AUTHORITY OF
THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**Basic Financial Statements
With Independent Auditors' Reports
As of and for the Year Ended
June 30, 2009
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/21/10

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Basic Financial Statements
With Independent Auditors' Reports
As of and for the Year Ended
June 30, 2009
With Supplemental Information Schedules

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page No.</u>
Independent Auditors' Report		1
Required Supplemental Information (Part I): Management's Discussion and Analysis		3
Basic Financial Statements:		
Proprietary Fund Type - Enterprise Funds:		
Balance Sheet	A	10
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B	13
Statement of Cash Flows	C	15
Discretely Presented Component Units:		
Combining Balance Sheet	D	17
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	E	20
Notes to the Financial Statements		22
Independent Auditors' Reports Required by <i>Government Auditing Standards</i>; OMB Circular A-133, <i>Audits of States, Local Governments, and Non-Profit Organizations</i>; and the <i>Single Audit Act Amendments of 1996</i>:		
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		40

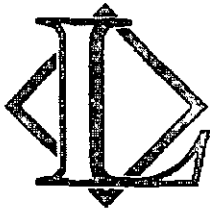
HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Basic Financial Statements
With Independent Auditors' Reports
As of and for the Year Ended
June 30, 2009
With Supplemental Information Schedules

TABLE OF CONTENTS (CONTINUED)

	<u>Schedule</u>	<u>Page No.</u>
Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133		42
Schedule of Findings and Questioned Costs	1	45
Summary Schedule of Prior Audit Findings	2	48
Supplemental Information Schedules:		
Schedule of Compensation Paid Board Members	3	49
Schedule of Expenditures of Federal Awards	4	50
Notes to Schedule of Expenditures of Federal Awards		51
Financial Data Schedule	6	52
Management Letter		59

Independent Auditors' Report



LITTLE & ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

Independent Auditors' Report

To the Board of Commissioners
Housing Authority of the City of Bossier City
Bossier City, Louisiana

We have audited the accompanying financial statements of the business-type activities, the discretely presented component units, and each major fund of the Housing Authority of the City of Bossier City as of and for the year ended June 30, 2009, which collectively comprise the Housing Authority's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component units, and each major fund of the Housing Authority of the City of Bossier City as of June 30, 2009, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2009, on our consideration of the Housing Authority of the City of Bossier City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed

in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The financial data schedule, the schedule of expenditures of federal awards, and the schedule of compensation paid board members are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Housing Authority of the City of Bossier City. The financial data schedule, the schedule of expenditures of federal awards, and the schedule of compensation paid board members have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Little & Associates LLC

Monroe, Louisiana
December 22, 2009

Management's Discussion and Analysis

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

We, the management of the Housing Authority of the City of Bossier City (the "Housing Authority"), present the following discussion and analysis of the Housing Authority's financial activities for the fiscal year ending June 30, 2009. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Housing Authority's audited financial statements, which follows.

FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities by \$11,206,367 at the close of the fiscal year ended 2009. Of this amount, \$3,263,888 of unrestricted assets may be used to meet the Housing Authority's ongoing obligations to citizens and creditors. This amount is approximately 73%, or about 9 months, of the total operating expenses for the fiscal year 2009. The remainder of \$7,942,479 represents restrictions equal to the net amount invested in land, building, furnishings, leasehold improvements, and equipment of \$7,311,202 and future capital expenditures of \$631,277.
- The Housing Authority's total net assets decreased by \$736,764, approximately 6.0%, from fiscal year 2008.
- The Housing Authority continues to operate without the need to incur debt for operating purposes.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Housing Authority's financial statements. The Housing Authority's basic financial statements are comprised of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

The financial statements are designed to provide readers with a broad overview of the Housing Authority's finances in a manner similar to a private sector business.

The *balance sheet* presents information on all of the Housing Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Housing Authority is improving or deteriorating, or otherwise changing in a dramatic manner.

The *statement of revenue, expenses and changes in fund net assets* presents information detailing how the Housing Authority's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave.).

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

The *statement of cash flows* provides information about the Housing Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

These financial statements report on the functions of the Housing Authority that are principally supported by intergovernmental revenues. The Housing Authority's function is to provide decent, safe, and sanitary housing to low-income and special needs populations, which is primarily funded with grant revenue received from the U. S. Department of Housing and Urban Development (HUD) and dwelling rentals.

HOUSING AUTHORITY'S SIGNIFICANT PROGRAMS

The Housing Authority has many programs that are consolidated into a single enterprise fund. The Housing Authority's significant programs consist of the following:

Low-Income Public Housing – Under the Conventional Public Housing Program, the Housing Authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the Housing Authority to provide housing at a rent that is based upon 30% of adjusted gross household income.

Capital Fund Program – The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the Housing Authority's physical and management improvements. The formula funding methodology is based on size and age of the Housing Authority's units.

Business Activities – The Business Activities fund accounts for the activity of Riverwood Apartments, a 183-unit multifamily complex acquired by the Housing Authority from HUD in September 1995. This fund also accounts for the development activity of the Housing Authority's non-public affordable housing ventures.

Section 8 – New Construction Cloverdale – This program had no activity during the year ended June 30, 2009, and was closed out during the year.

FINANCIAL ANALYSIS

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Housing Authority has only one fund type, namely an enterprise fund which is a proprietary fund type. The Housing Authority maintains several significant funds. The general fund is used to account for the low rent, capital fund, and tenant assistance programs and the blended component units. The Business Activities fund accounts for the activities of Riverwood Apartments, a non-HUD project owned by the Housing Authority and other non-public affordable housing ventures. As noted above, the Section 8 – New Construction Cloverdale

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

program was closed out during the year ended June 30, 2009. The fund financial statements can be found on pages 10 through 16 of this report.

Notes to the Financial Statements

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 22 through 39 of this report.

Net Assets and Changes in Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Housing Authority, assets exceeded liabilities by \$11, 206,367 at June 30, 2009. By far the largest portion of the Housing Authority's net assets (65%) reflects its investments in capital assets (e.g., buildings, machinery, and equipment). The Housing Authority uses these capital assets to provide housing services to residents. The Housing Authority also has net assets in the amount of \$631,277, the use of which has been restricted by HUD for future replacement costs. Consequently, these restricted assets are not available for day-to-day operations. The unrestricted net assets of the Housing Authority are available for future use to provide program services. An analysis of net assets and changes in net assets is as follows:

Net Assets		
	2009	2008
Current Assets	\$ 1,550,246	\$ 2,434,522
Restricted Assets	730,798	649,331
Capital assets, net	7,311,202	7,674,374
Other noncurrent assets	2,163,617	2,546,059
Total assets	11,755,863	13,304,286
Current liabilities	480,529	1,223,025
Long-term liabilities	68,967	138,130
Total liabilities	549,496	1,361,155
Net assets		
Invested in capital assets, net of related debt	7,311,202	7,674,374
Restricted	631,277	562,988
Unrestricted	3,263,888	3,705,769
Total net assets	\$ 11,206,367	\$ 11,943,131

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

Change in Net Assets

	2009	2008	Change
Revenues:			
Dwelling rental and other	\$ 1,661,567	\$ 1,551,421	\$ 110,146
Interest earnings	81,594	121,996	(40,402)
Developer services fee revenue	-	423,677	(423,677)
Gain (Loss) on disposition of assets and casualty	(20,873)	58,411	(79,284)
Federal grants	1,908,057	1,621,993	286,064
Capital contributions	529,295	436,416	92,879
Total revenues	<u>4,159,640</u>	<u>4,213,914</u>	<u>\$ (54,274)</u>
Expenses:			
Administration	950,991	879,038	71,953
Tenant services	87,139	87,881	(742)
Utilities	308,469	275,704	32,765
Ordinary maintenance and repairs	1,162,284	1,102,199	60,085
Protective services	133,357	136,709	(3,352)
General expenses	638,751	694,350	(55,599)
Housing assistance payments	320,004	223,703	96,301
Interest Expense	11,353	13,603	(2,250)
Developer costs	395,270	194,400	200,870
Depreciation and amortization	888,786	984,568	(95,782)
	<u>4,896,404</u>	<u>4,592,155</u>	<u>304,249</u>
Change in net assets	(736,764)	(378,241)	(358,523)
Beginning net assets	11,943,131	12,331,872	(388,741)
Reclass of blended component unit net assets to discretely presented component unit net assets	<u>-</u>	<u>(10,500)</u>	<u>10,500</u>
Ending net assets	<u>\$ 11,206,367</u>	<u>\$ 11,943,131</u>	<u>\$ (736,764)</u>

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

Total revenues had a net decrease of \$54,274 due primarily to:

➤ Decreases in the following classifications -

- Developer Services Fee Revenue in the amount of \$423,677 – The Housing Authority did not earn developer service fees through its non-public affordable housing program;
- Loss on Disposition of Assets in the amount of \$79,284;

and

➤ Increases in the following classifications -

- Increase in Dwelling Rental and Other in the amount of \$110,146 – Modification to units was finalized, and the units were leased;
- Federal Grants in the amount of \$286,064 – The Operating Subsidy was increased to \$1, 200,000;
- Capital Contributions in the amount of \$92,879 – The Housing Authority expended more funds through its Capital Fund programs than in the prior year.

Total expenses, had a net increase of \$304,249 due primarily to:

➤ Increases in the following classifications –

- Ordinary Maintenance & Repairs of \$60,085 – Attributable primarily to the rising costs of maintenance and repair services, parts, and materials;
- Developer costs of \$200,870 for the development of nonpublic affordable housing;
- Housing Assistance Payments in the amount of \$96,301 - More assistance was provided to the homeless community;

and

➤ Decrease in the following classification –

- Depreciation Expense in the amount of \$95,782.

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2009, the Housing Authority's investment in capital assets was \$7,311,202 (net of accumulated depreciation) as reflected in the following schedule. This amount represents a decrease (including additions, deductions, and depreciation) of \$363,172.

	2009	2008
Land	\$ 786,510	\$ 786,510
Buildings and improvements	21,656,255	21,622,280
Furniture and equipment	741,076	751,076
Construction in progress	543,784	75,141
Totals	23,727,625	23,235,007
Less accumulated depreciation	(16,416,423)	(15,560,633)
	<u>\$ 7,311,202</u>	<u>\$ 7,674,374</u>

Major capital asset purchases during the year ended June 30, 2009, included dwelling structure improvements.

Additional information on the Housing Authority's capital assets can be found in the notes to the financial statements.

Debt/Long-Term Obligations

The Housing Authority's long-term obligations at June 30, 2009, consist of accrued annual leave. During the year ended June 30, 2009, the Housing Authority paid off its Christus Health debt in the amount of \$750,000. We present more detail about our debt in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions. The Housing Authority is expected to receive approximately \$1,100,000 in Operating Subsidy from HUD for the year ending June 30, 2010. The 2009 Capital Fund Program budget has already been approved by HUD and no major changes are expected. The Capital Fund Program budgets are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties, including administrative fees involved in the modernization.

Housing Authority of the City of Bossier City, Louisiana

Management's Discussion and Analysis (MD&A)

June 30, 2009

(Unaudited)

As of June 30, 2009, the Housing Authority has \$207,676 of approved funding available for future spending under its 2008 Capital Fund Program. In September 2009, the Housing Authority received approval for funding in the amount of \$704,527 for its 2009 Capital Fund Program. In addition, the Housing Authority has received approval for \$907,714 in funding through the American Recovery and Reinvestment Act of 2009 (the Stimulus Package).

Future Events That Will Financially Impact the Housing Authority

The Housing Authority will continue its redevelopment of Riverwood Apartments (included in Business Activities) through the utilization of the Eagle Pointe Development Limited Partnerships [Low Income Housing Tax Credit projects]. Eagle Pointe IV is in the early stages of development.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Housing Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Housing Authority of the City of Bossier City, 805 East First Street, Bossier City, Louisiana 71171, or call (318) 549 -1556.

Basic Financial Statements

STATEMENT A

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2009

	SECTION 8 - NEW					
	GENERAL	CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 263,377	\$ -	\$ 179,938	\$ 443,315	\$ 425,229	\$ 868,544
Investments	25,828	-	427,557	453,385	-	453,385
Receivables (net of allowances for uncollectibles)	-	-	22,060	425,378	11,446	436,824
Internal balances	403,318 (85,483)	-	85,483	-	-	-
Due from component units	-	-	57,930	57,930	-	57,930
Inventory	41,042	-	-	41,042	-	41,042
Prepaid expenses	100,881	-	28,315	129,196	30,501	159,697
Total Current Assets	748,963	-	801,283	1,550,246	467,176	2,017,422
Restricted Assets:						
Cash and cash equivalents	69,453	-	30,068	99,521	349,456	448,977
Investments	631,277	-	-	631,277	-	631,277
Total Restricted Assets	700,730	-	30,068	730,798	349,456	1,080,254
Noncurrent Assets:						
Due from component units	-	-	1,413,617	1,413,617	-	1,413,617
Investments	-	-	750,000	750,000	-	750,000
Capital assets:						
Land	723,010	-	63,500	786,510	36,500	823,010
Buildings and equipment (net of accumulated depreciation)	-	-	876,377	5,980,908	11,701,484	17,682,392
Construction/Development-in-progress	5,104,531	-	-	543,784	-	5,648,315
Other assets	543,784	-	-	-	376,788	920,572
Total Non-Current Assets	6,371,325	-	3,103,494	9,474,819	12,114,772	21,589,591
TOTAL ASSETS	\$ 7,821,018	\$ -	\$ 3,934,845	\$ 11,755,863	\$ 12,931,404	\$ 24,687,267
						(CONTINUED)

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2009

	SECTION 8 - NEW				DISCRETELY PRESENTED COMPONENT UNITS	TOTAL
	GENERAL	CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT		
LIABILITIES						
Current Liabilities:						
Accounts payable	\$ 61,194	\$ -	\$ 46,319	\$ 107,513	\$ 12,726	\$ 120,239
Accrued wages and payroll taxes	14,017		10,026	24,043	-	24,043
Due to primary government	-			-	411,649	411,649
Deferred revenues	5,121		5,332	10,453	5,074	15,527
Due to other governments	97,737			97,737	-	97,737
Notes payable	-		-	-	52,297	52,297
Accrued compensated absences - current portion	77,022		45,018	122,040	-	122,040
Other current liabilities	30,865		-	30,865	27,866	58,731
Total Current Liabilities	285,956	-	106,695	392,651	509,612	902,263
Current liabilities payable from restricted assets - tenant security deposits	59,881	-	27,997	87,878	37,751	125,629
Non Current Liabilities:						
Notes payable	-		-	-	3,841,790	3,841,790
Due to primary government	-		-	-	3,279,948	3,279,948
Accrued compensated absences - net of current portion	51,916		17,051	68,967	-	68,967
Other noncurrent liabilities	-		-	-	166,277	166,277
Total Non-Current Liabilities	51,916	-	17,051	68,967	7,288,015	7,356,982
Total Liabilities	397,753	-	151,743	549,496	7,835,378	8,384,874

(CONTINUED)

STATEMENT A

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2008

	SECTION 8 -				DISCRETELY PRESENTED COMPONENT UNITS	TOTAL
	GENERAL	NEW CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT		
NET ASSETS						
Invested in capital assets, net of related debt	6,371,325		939,877	7,311,202	5,469,760	12,780,962
Restricted	631,277			631,277	-	631,277
Unrestricted	420,663	-	2,843,225	3,263,888	(373,734)	2,890,154
Total Net Assets	7,423,265	-	3,783,102	11,206,367	5,096,026	16,302,393
TOTAL LIABILITIES AND NET ASSETS	\$ 7,821,018	\$ -	\$ 3,934,845	\$ 11,755,863	\$ 12,931,404	\$ 24,687,267

(CONCLUDED)

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	SECTION 8 - NEW			TOTAL PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL
	GENERAL	CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES			
OPERATING REVENUES						
Dwelling rental	\$ 686,591	\$ -	\$ 823,359	\$ 1,509,950	\$ 982,621	\$ 2,492,571
Other	33,727		117,890	151,617	52,646	204,263
Total Operating Revenues	720,318	-	941,249	1,661,567	1,035,267	2,696,834
OPERATING EXPENSES						
Administration	582,738		368,253	950,991	203,421	1,154,412
Tenant services	85,940		1,199	87,139	-	87,139
Utilities	192,888		115,581	308,469	117,855	426,324
Ordinary maintenance and repairs	634,347		527,937	1,162,284	178,118	1,340,402
Protective services	93,680		39,677	133,357	-	133,357
General expenses	463,465	-	175,286	638,751	132,533	771,284
Housing assistance payments	320,004			320,004	-	320,004
Depreciation and amortization	814,798		73,988	888,786	380,631	1,269,417
Total Operating Expenses	3,187,860	-	1,301,921	4,489,781	1,012,558	5,502,339
OPERATING INCOME (LOSS)	(2,467,542)	-	(360,672)	(2,828,214)	22,709	(2,805,505)
NONOPERATING REVENUES (EXPENSES)						
Interest earnings	8,777	-	72,817	81,594	-	81,594
Interest expense	-	-	(11,353)	(11,353)	(402,178)	(413,531)
Development services fee revenue	-	-	-	-	-	-
Developer costs	-	-	(395,270)	(395,270)	-	(395,270)
Gain (Loss) on disposition of capital assets	8,455	-	(29,328)	(20,873)	-	(20,873)
Gain (Loss) on casualty	-	-	-	-	-	-
Federal grants	1,908,057	-	-	1,908,057	-	1,908,057
Total Nonoperating Revenues (Expenses)	1,925,289	-	(363,134)	1,562,155	(402,178)	1,159,977

(CONTINUED)

STATEMENT B

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	GENERAL	SECTION 8 - NEW CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS						
Capital contributions	(542,253)	-	(723,806)	(1,266,059)	(379,469)	(1,645,528)
	<u>529,295</u>	<u>-</u>	<u>-</u>	<u>529,295</u>	<u>1,130,742</u>	<u>1,660,037</u>
CHANGE IN NET ASSETS	(12,958)	-	(723,806)	(736,764)	751,273	14,509
EQUITY TRANSFERS	1,437	(84,268)	82,831	-	-	-
TOTAL NET ASSETS - BEGINNING	<u>7,434,786</u>	<u>84,268</u>	<u>4,424,077</u>	<u>11,943,131</u>	<u>4,344,753</u>	<u>16,287,884</u>
TOTAL NET ASSETS - ENDING	<u>\$ 7,423,265</u>	<u>\$ -</u>	<u>\$ 3,783,102</u>	<u>\$ 11,206,367</u>	<u>\$ 5,096,026</u>	<u>\$ 16,302,393</u>

(CONCLUDED)

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	GENERAL	SECTION 3 - NEW CONSTRUCTION CLOVERDALE	BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT
Cash Flows From Operating Activities				
Dwelling rent receipts	\$ 707,877		\$ 810,105	\$ 1,517,982
Other receipts	832,919		117,890	950,809
Payments to suppliers	(2,041,343)		(959,344)	(3,000,687)
Payments to employees	(805,333)		(290,835)	(1,096,168)
Housing assistance payments	(320,004)		-	(320,004)
Net Cash Provided (Used) by Operating Activities	(1,625,884)	-	(322,184)	(1,948,068)
Cash Flows From Non-Capital Financing Activities				
Net advances from (to) other funds	211,707	(39,779)	(171,928)	-
Transfers (to) from other funds	1,437	(84,268)	82,831	-
Payment of developer costs	-		(395,270)	(395,270)
Net advances from primary government/(to component unit)	(75,141)		1,268,305	1,193,164
Federal and other grants	1,706,243	17,187	-	1,723,430
Net Cash Provided (Used) by Noncapital Financing Activities	1,844,246	(106,860)	783,938	2,521,324
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	(171,387)	-	(30,392)	(201,779)
Principal payment on capital debt	-	-	(750,000)	(750,000)
Interest paid on capital debt	-	-	(11,353)	(11,353)
Proceeds from disposition of capital assets	8,580	-	-	8,580
Contributed capital	196,664	-	-	196,664
Net Cash Provided (Used) by Capital and Related Financing Activities	33,857	-	(791,745)	(757,888)
Cash Flows From Investing Activities				
(Increase) Decrease in investments	(94,117)	104,470	344,809	355,162
Investments earnings	8,777		72,817	81,594
Net Cash Provided (Used) by Investing Activities	(85,340)	104,470	417,626	436,756

(CONTINUED)

STATEMENT C

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	SECTION B - NEW CONSTRUCTION CLOVERDALE			BUSINESS ACTIVITIES	TOTAL PRIMARY GOVERNMENT
	GENERAL				
Net Increase (Decrease) in Cash and Cash Equivalents	166,879	(2,390)		87,635	252,124
Cash and Cash Equivalents, Beginning of Year	165,951	2,390		122,371	290,712
Cash and Cash Equivalents, End of Year	<u>\$ 332,830</u>	<u>\$ -</u>		<u>\$ 210,006</u>	<u>\$ 542,836</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	<u>\$ (2,467,342)</u>	<u>\$ -</u>		<u>\$ (360,672)</u>	<u>\$ (2,828,214)</u>
Operating income (loss)	814,798			73,988	888,786
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization expense	10,723	-		(2,991)	7,732
Changes in assets and liabilities:	(7,255)	-		-	(7,255)
(Increase) decrease in accounts receivable, net	255	-		(626)	(371)
(Increase) decrease in inventories	(41,762)	-		(29,634)	(71,396)
(Increase) decrease in prepaid items	-	-		(8,750)	(8,750)
Increase (decrease) in accounts payable	(1,620)	-		5,434	3,814
Increase (decrease) in other current liabilities	-	-		-	-
Increase (decrease) in accrued wages and payroll taxes	-	-		-	-
Increase (decrease) in contracts payable	-	-		-	-
Increase (decrease) in customer deposits	4,916	-		11,330	16,246
Increase (decrease) in compensated absences	(449)	-		(10,263)	(10,712)
Increase (decrease) in deferred revenues	51,040	-		-	51,040
Increase (decrease) in due to other governments	11,012	-		-	11,012
Increase (decrease) in tenant security deposits liability	841,658	-		38,488	880,146
Total Adjustments	<u>\$ (1,625,884)</u>	<u>\$ -</u>		<u>\$ (322,184)</u>	<u>\$ (1,948,068)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 195,535</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 195,535</u>
Schedule of Noncash Investing, Capital, and Financial Activities					
Acquisition of capital assets through the incurrence of liabilities					

(CONCLUDED)

The accompanying notes are an integral part of this statement.

STATEMENT D

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

COMBINING BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2009

	EAGLE POINTE DEVELOPMENT I LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT II LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT III LIMITED PARTNERSHIP	DISCRETELY PRESENTED COMPONENT UNITS
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ -	\$ 140,835	\$ 284,394	\$ 425,229
Investments				
Receivables (net of allowances for uncollectibles)	3,552	932	6,962	11,446
Due from component units				-
Inventory	8,830	9,632	12,039	30,501
Prepaid expenses				
Total Current Assets	12,382	151,399	303,395	467,176
Restricted Assets:				
Cash and cash equivalents	174,262	32,729	142,465	349,456
Investments				
Total Restricted Assets	174,262	32,729	142,465	349,456
Noncurrent Assets:				
Due from component units				-
Investments				-
Capital assets:				
Land	10,000	10,500	16,000	36,500
Buildings and equipment (net of accumulated depreciation)	3,006,818	4,129,682	4,564,984	11,701,484
Construction/Development-in-progress	166,533	129,329	80,926	376,788
Other assets				
Total Non-Current Assets	3,183,351	4,269,511	4,661,910	12,114,772
TOTAL ASSETS	\$ 3,369,995	\$ 4,453,639	\$ 5,107,770	\$ 12,931,404

(CONTINUED)

STATEMENT D

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

COMBINING BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2009

	EAGLE POINTE DEVELOPMENT I LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT II LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT III LIMITED PARTNERSHIP	DISCRETELY PRESENTED COMPONENT UNITS
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 3,762	\$ 3,855	\$ 5,109	\$ 12,726
Accrued wages and payroll taxes				-
Due to primary government	19,248	370,366	22,035	411,649
Deferred revenues	1,433	1,643	1,998	5,074
Due to other governments				-
Notes payable	10,868	15,574	25,855	52,297
Accrued compensated absences - current portion				
Other current liabilities	4,884	8,423	14,559	27,866
Total Current Liabilities	40,195	399,861	69,556	509,612
Current Liabilities Payable from restricted assets - tenant security deposits	11,000	11,750	15,001	37,751
Non Current Liabilities:				
Notes payable	1,193,771	-	2,648,019	3,841,790
Due to primary government	294,199	2,002,381	983,368	3,279,948
Accrued compensated absences - net of current portion				-
Other noncurrent liabilities	117,705		48,572	166,277
Total Non-Current Liabilities	1,605,675	2,002,381	3,679,959	7,288,015
Total Liabilities	1,656,870	2,413,992	3,764,516	7,835,378

(CONTINUED)

STATEMENT D

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
COMBINING BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2009

	EAGLE POINTE DEVELOPMENT I LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT II LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT III LIMITED PARTNERSHIP	DISCRETELY PRESENTED COMPONENT UNITS
NET ASSETS				
Invested in capital assets, net of related debt	1,637,179	2,167,371	1,665,210	5,469,760
Restricted				-
Unrestricted	75,946	(127,724)	(321,956)	(373,734)
Total Net Assets	1,713,125	2,039,647	1,343,254	5,096,026
TOTAL LIABILITIES AND NET ASSETS	\$ 3,369,995	\$ 4,433,639	\$ 5,107,770	\$ 12,931,404

(CONCLUDED)

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2009

	EAGLE POINTE DEVELOPMENT I LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT II LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT III LIMITED PARTNERSHIP	DISCRETELY PRESENTED COMPONENT UNITS
OPERATING REVENUES				
Dwelling rental	\$ 269,887	\$ 307,387	\$ 405,347	\$ 982,621
Other	13,149	8,439	31,058	52,646
Total Operating Revenues	283,036	315,826	436,405	1,035,207
OPERATING EXPENSES				
Administration	58,712	70,884	73,825	203,421
Tenant services	-	-	-	-
Utilities	28,631	23,028	66,196	117,855
Ordinary maintenance and repairs	70,845	32,664	74,609	178,118
Protective services	-	-	-	-
General expenses	33,916	51,710	46,907	132,533
Depreciation and amortization	101,849	138,994	139,788	380,631
Total Operating Expenses	293,953	317,280	401,325	1,012,558
OPERATING INCOME (LOSS)	(10,917)	(1,454)	35,080	22,709
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	-	-	-	-
Interest expense	(90,036)	(110,443)	(201,699)	(402,178)
Development services fee revenue	-	-	-	-
Developer costs	-	-	-	-
Gain (Loss) on disposition of capital assets	-	-	-	-
Gain (Loss) on casualty	-	-	-	-
Federal grants	-	-	-	-
Total Nonoperating Revenues (Expenses)	(90,036)	(110,443)	(201,699)	(402,178)

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2009

	EAGLE POINTE DEVELOPMENT I LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT II LIMITED PARTNERSHIP	EAGLE POINTE DEVELOPMENT III LIMITED PARTNERSHIP	DISCRETELY PRESENTED COMPONENT UNITS
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(100,953)	(111,897)	(166,619)	(379,469)
Capital contributions	-	819,018	311,724	1,130,742
CHANGE IN NET ASSETS	(100,953)	707,121	145,105	751,273
TOTAL NET ASSETS - BEGINNING	1,814,078	1,332,526	1,198,149	4,344,753
TOTAL NET ASSETS - ENDING	\$ 1,713,125	\$ 2,039,647	\$ 1,343,254	\$ 5,096,026

The accompanying notes are an integral part of this statement.

(CONCLUDED)

Notes to the Financial Statements

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Housing Authority of the City of Bossier City, Louisiana (the "Housing Authority") was chartered as a public corporation for the purpose of providing safe and sanitary housing, as authorized by Louisiana Revised Statute 40:391. The Housing Authority is governed by a five-member board of commissioners, who are appointed by the Honorable Mayor of the City of Bossier City, Louisiana (the "City"). The members of the board of commissioners serve staggered five-year terms without benefit of compensation.

The Housing Authority has the following units:

	<u>Number of Units</u>
PHA Owned Housing	437
Non HUD Programs:	
Riverwood	183

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority of the City of Bossier City, Louisiana is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As defined by GASB Statement No. 14, fiscally independent means that the Housing Authority may, without approval or consent of another governmental entity, determine or modify its own budget, set rates or charges, and issue bonded debt.

GASB Statement No. 14 defines a related organization as an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable. According to this definition, the Housing Authority is a related organization of the City of Bossier City, Louisiana since the City appoints a voting majority of the Housing Authority's governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Bossier City, Louisiana. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Bossier City, Louisiana.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

GASB Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that the following component units should be considered as part of the Housing Authority reporting unit:

Bossier Housing Corporation, Inc.
Eagle Pointe Development I Limited Partnership ("Eagle Pointe I")
Eagle Pointe Development II Limited Partnership ("Eagle Pointe II")
Eagle Pointe Development III Limited Partnership ("Eagle Pointe III")
Eagle Pointe Development IV Limited Partnership ("Eagle Pointe IV")
Eagle Pointe Development V Limited Partnership ("Eagle Pointe V")
Eagle Pointe Development VI Limited Partnership ("Eagle Pointe VI")
Eagle Pointe Development VII Limited Partnership ("Eagle Pointe VII")
Eagle Pointe Development VIII Limited Partnership ("Eagle Pointe VIII")

These entities are legally separate entities. The Managing General Partner of each partnership is Bossier Housing Corporation, Inc., a not-for-profit corporation. The Board of Directors of Bossier Housing Corporation, Inc. consists entirely of the Board of Commissioners of the Housing Authority, which provides the Housing Authority with a voting majority of the governing bodies of each of the Eagle Pointe partnerships. In addition, there is the potential for each of the Eagle Pointe partnerships to impose a financial burden on the Housing Authority. Based on the above, Bossier Housing Corporation, Inc. and each of the Eagle Pointe partnerships are considered to be component units of the Housing Authority.

The governing body of the Housing Authority is considered to have complete control over Bossier Housing Corporation and Eagle Pointe IV, V, VI, VII, and VIII but not complete control over Eagle Pointe I, II, and III. As a result, Bossier Housing Corporation and Eagle Pointe IV, V, VI, VII, and VIII are included in the Housing Authority's financial statements as blended entities, and

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Eagle Pointe I, II, and III are included in the Housing Authority's financial statements through discrete presentation. The financial position and changes in net assets of Eagle Pointe I, Eagle Pointe II, Eagle Pointe III are presented as of and for the year ended December 31, 2008.

The separate financial statements of Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, and Eagle Pointe Development III Limited Partnership can be obtained from the Housing Authority of the City of Bossier City, 805 East First Street, Bossier City, LA 71171. Bossier Housing Corporation, Eagle Pointe Development IV Limited Partnership, Eagle Pointe Development V Limited Partnership, Eagle Pointe Development VI Limited Partnership, Eagle Pointe Development VII Limited Partnership, and Eagle Pointe Development VIII Limited Partnership do not issue separate financial statements.

B. BASIS OF PRESENTATION AND FUNDS

The accounts of the Housing Authority are organized and operated on a fund basis whereby a self-balancing set of accounts, which comprise the Housing Authority's assets, liabilities, net assets, revenues, and expenses, is maintained. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which together with the maintenance of equity, is an important financial indicator. The general fund accounts for the transactions of the public housing low rent program, capital funds program, tenant assistance program, and the blended component units. The other funds reported by the Housing Authority are the Section 8 - New Construction and Substantial Rehabilitation Program and Business Activities, which is comprised of Riverwood Apartments, a market rate multi-family complex acquired by the Housing Authority from the United States Department of Housing and Urban Development in September 1995, and the Housing Authority's non-public affordable housing ventures.

The Housing Authority's operating revenues include dwelling rentals, charges, and other revenues paid by the tenants of the Housing Authority's projects. Revenues that are not classified as operating revenues, including federal program revenues, are presented as nonoperating revenues or capital contributions depending on the purpose of the revenue.

The accompanying basic financial statements of the Housing Authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (the "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments* (the "Statement"), which was unanimously approved in June 1999 by the Governmental Accounting Standards Board.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The proprietary funds are accounted for on the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred. With this measurement focus, all assets and all liabilities of the proprietary funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

D. BUDGET PRACTICES

The Housing Authority adopted budgets for all funds. Budgets for the Capital Funds Programs are multiple-year budgets.

Budgets are approved by the Board of Commissioners and, in certain instances, by HUD. Such budgets are controlled by fund at the function level. Budgetary amendments require approval of the board of commissioners and, in certain instances, HUD; however, the Executive Director is authorized to transfer amounts between line items within the low rent program provided such transfer does not change the total of any function. Monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

Formal budgetary integration is employed as a management control device during the year.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits (including interest-bearing), time deposits and other financial instruments having an original maturity of ninety days or less, and cash with the fiscal agent.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

F. INVESTMENTS

Investments are limited by LSA-RS 33:2955 and the Housing Authority's investment policy. Financial instruments having original maturities exceeding ninety days are classified as investments; however, if the original maturities are ninety days or less, they are classified as cash equivalents. Investments are reported at either fair value or amortized cost in accordance with GASB Statement No. 31.

G. BAD DEBTS

Uncollectible amounts due from tenants are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate that the amount of the particular receivable is uncollectible.

H. INTERNAL BALANCES

During the course of operations, numerous transactions occur between individual funds and programs for services rendered or for reimbursement of costs paid by one fund or program on behalf of another fund or program. Generally, these receivables and payables are eliminated at the primary government level in the balance sheet.

I. INVENTORY

All inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year-end, the amount of inventory is recorded for external financial reporting purposes.

J. PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

K. TENANTS' REFUNDABLE SECURITY DEPOSITS

The Housing Authority requires tenants to place a deposit before moving into a unit. These deposits are considered restricted and are held until the tenant moves out.

L. CAPITAL ASSETS

Capital assets of the Housing Authority are included on the balance sheet of the enterprise fund and are recorded at actual cost. The capitalization threshold is \$1,000. Depreciation of all

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over estimated useful lives as shown:

Buildings	40 years
Building and site improvements	15 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

M. VACATION AND SICK LEAVE

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by the employee's retirement or termination date.

N. RESTRICTED NET ASSETS

Net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

O. RISK MANAGEMENT

The Housing Authority is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the Housing Authority maintains commercial insurance policies covering property, employee liability, and public official's liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2009.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

2. DEPOSITS AND INVESTMENTS

Under state law, the Housing authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Housing Authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At June 30, 2009, the Housing Authority's carrying amount of deposits was \$1,542,836 which includes the following:

Cash and cash equivalents - unrestricted	\$ 443,315
Cash and cash equivalents - restricted	99,521
Investments in certificate of deposit and investment certificates	<u>1,000,000</u>
Total	<u><u>\$ 1,542,836</u></u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009, the Housing Authority's bank (deposit) balance totaled \$1,579,118, none of which is exposed to custodial credit risk.

At June 30, 2009, the Housing Authority held investments of \$834,661 in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana for the purpose of operating a local government investment pool. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. Also, LAMP's investment guidelines permit the investment in government-only money market funds and limited investment in A-1 or A-1+ commercial paper.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP is subject to the regulatory oversight of the State Treasurer and its board of directors. LAMP is not registered with the SEC as an investment company.

The carrying amount of the deposits for Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, and Eagle Pointe Development III Limited Partnership, the Housing Authority's discretely presented component units, were \$174,262, 173,564, and \$426,859 respectively. At December 31, 2008, Eagle Point III had uninsured deposit balances of \$177,055.

3. RESTRICTED ASSETS

Restricted assets at June 30, 2009, are as follows:

General:

Cash and cash equivalents - tenants' security deposits	\$ 69,453
Investments - replacement reserve	631,277

Riverwood:

Cash and cash equivalents - tenants' security deposits	<u>30,068</u>
--	---------------

Total restricted assets	<u><u>\$ 730,798</u></u>
-------------------------	--------------------------

Restricted assets at December 31, 2008, for the discretely presented component units are as follows:

	Amount
Tenant Security Deposits	\$ 43,288
Operating Deficit Reserves	188,907
Real Estate Tax and Insurance Escrow	10,822
Replacement Reserves	<u>106,439</u>
Total restricted assets	<u><u>\$ 349,456</u></u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

4. RECEIVABLES

The following is a summary of receivables, net of allowance for doubtful accounts, at June 30, 2009:

	<u>General</u>	<u>Riverwood</u>	<u>Total</u>
Tenants - rents and other charges	\$ 21,225	\$ 32,273	\$ 53,498
Other	-	-	-
Federal and State Grants	387,500	-	387,500
Subtotal	408,725	32,273	440,998
Less allowance for doubtful accounts	<u>(5,407)</u>	<u>(10,213)</u>	<u>(15,620)</u>
Total	<u>\$ 403,318</u>	<u>\$ 22,060</u>	<u>\$ 425,378</u>

Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, and Eagle Pointe Development III Limited Partnership accounts receivable consisted of tenant rents and other charges totaling \$3,552, \$932, and \$6,962, respectively.

5. CAPITAL ASSETS

The following presents the changes in capital assets:

Primary Government

	<u>Balance at June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2009</u>
Land	\$ 786,510	\$ -	\$ -	\$ 786,510
Buildings and improvements	21,622,280	33,975	-	21,656,255
Furniture and equipment	751,076	68,043	(78,043)	741,076
Construction in progress	75,141	468,643	-	543,784
Total	<u>23,235,007</u>	<u>570,661</u>	<u>(78,043)</u>	<u>23,727,625</u>
Less accumulated depreciation:				
Buildings and improvements	15,034,293	799,122	(14,247)	15,819,168
Furniture and equipment	526,340	89,664	(18,749)	597,255
Total	<u>15,560,633</u>	<u>888,786</u>	<u>(32,996)</u>	<u>16,416,423</u>
Fixed assets, net	<u>\$ 7,674,374</u>	<u>\$ (318,125)</u>	<u>\$ (45,047)</u>	<u>\$ 7,311,202</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Discretely Presented Component Units

	Beginning Balances	Additions	Deletions	Ending Balances
Land	\$ 36,500	\$ -	\$ -	\$ 36,500
Buildings and improvements	12,281,857	-		12,281,857
Furniture and equipment	469,319	643		469,962
Construction in progress	-			-
Total	<u>12,787,676</u>	<u>643</u>	<u>-</u>	<u>12,788,319</u>
Less accumulated depreciation:				
Buildings and improvements	652,990	366,215	-	1,019,205
Furniture and equipment	31,130	-	-	31,130
Total	<u>684,120</u>	<u>366,215</u>	<u>-</u>	<u>1,050,335</u>
Fixed assets, net	<u>\$ 12,103,556</u>	<u>\$ (365,572)</u>	<u>\$ -</u>	<u>\$ 11,737,984</u>

6. ACCOUNTS PAYABLE

Accounts payable at June 30, 2009, consisted of trade payables in the amount of \$107,513 for the Housing Authority. Accounts payable at December 31, 2008, consisted of trade payables in the amount of \$12,726 for the discretely presented component units.

7. RETIREMENT SYSTEM

The employees of the Housing Authority of the City of Bossier City participate in the Housing-Renewal and Local Agency Retirement Plan, which is a defined contribution plan. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All regular, full-time employees are eligible to participate in the plan on the first day of the month following completion of six months of continuous uninterrupted employment. Each participant in the plan is required to make a monthly contribution equal to 6% of his basic compensation. The Housing Authority makes a monthly contribution equal to 8.5% of each participant's basic compensation. Employees are considered fully vested in the plan after five years of continuous participation. Forfeitures of Housing Authority's contributions and interest earnings by employees who leave before being fully vested are used to offset future contributions by the Housing Authority.

At June 30, 2009, 2008, and 2007, the Housing Authority's contributions to the plan totaled \$72,506 \$67,806, and \$56,922, respectively.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

8. COMPENSATED ABSENCES

At June 30, 2009, employees of the Housing Authority had accumulated and vested \$191,007 of employee leave benefits, computed in accordance with GASB Codification C60. These amounts are recorded as liabilities within the fund from which payment will be made. The cost of leave privileges expecting to require current resources is considered a current obligation, while the cost of leave privileges not requiring current resources is considered a long-term obligation.

9. NOTES PAYABLE

Housing Authority

On January 14, 2005, the Housing Authority entered into a loan agreement with Christus Health in the amount of \$750,000. The loan served as a "bridge loan", the proceeds of which were used in the development of Eagle Pointe II and III. The loan to Christus Health was repaid in full on March 31, 2009.

Component Units

Eagle Pointe Development I Limited Partnership

First Mortgage

Construction financing was acquired through Home Federal Savings and Loan Association of Shreveport at an annual interest rate of 7.375%. The construction loan matured on July 1, 2004. At such time Home Federal Savings and Loan Association of Shreveport loaned \$842,818 to Eagle Pointe I for the purpose of paying the balance due on the construction loan. Under the terms of the loan, Eagle Pointe I will make monthly principal and interest payments of \$5,821 (7.375% per annum) until December 31, 2023, at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2008, was \$804,723.

The Home Federal Savings and Loan Association of Shreveport loan is nonrecourse debt and is collateralized primarily by a first mortgage on Eagle Pointe I's land and buildings and an assignment of all rents and leases of Eagle Pointe I.

Second Mortgage

The Louisiana Housing Finance Agency (LHFA) committed loan proceeds of \$510,000 to Eagle Pointe I, of which the partnership received \$399,916. The loan bears interest at a rate of 5.34%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest will not begin until the earlier of, the first mortgage with Home Federal Savings and Loan Association of

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Shreveport is paid in full on April 1, 2023, (commencement of amortization) at which time, the note will be payable in monthly principal and interest installments. In addition to the monthly installment, the accrued interest from inception of the note through commencement of amortization will be payable in equal monthly installments through August 15, 2019, which is the date all unpaid sums under the note are due and payable. The loan also details that payments shall be made only out of and to the extent of the cash flow of Eagle Pointe I after payment of all operating expenses approved by the LHFA. As a condition to obtaining this financing, Eagle Pointe I has entered into a regulatory agreement with LHFA. Rentals to tenants of low income and restrictions of rents charged are two major conditions of the regulatory agreement. Should the LHFA issue a written notice to Eagle Pointe I of an instance of noncompliance with the regulatory agreement, Eagle Pointe I has thirty days from the issuance of such notice to correct the noncompliance. Should the noncompliance not be corrected within the thirty days, LHFA has the authority to declare the entire amount of mortgage immediately due and payable.

Third Mortgage

Eagle Pointe Development I Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City on November 5, 2003, in the amount of \$175,000. The loan bears interest at a rate of 5.00%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all of Eagle Pointe I's operating expenses, the funding of adequate reserves, and the payment of any payments due or outstanding under any Construction or Permanent Financing from an institutional lender and as set forth in Eagle Pointe I's Limited Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2043. The note payable is reported in the balance sheet in noncurrent liabilities in due to primary government.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2009	\$ 10,868
2010	\$ 11,697
2011	\$ 12,589
2012	\$ 13,550
2013	\$ 14,584
Thereafter	\$1,316,351

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Eagle Pointe Development II Limited Partnership

First Mortgage

Construction financing for the development of the project was acquired through JP Morgan Chase Bank, N.A. of Houston Texas in the principal sum of up to \$1,500,000. Interest on the construction loan will be computed using the adjusted LIBOR Rate which shall mean a per annum rate equal to this rate plus 2.50%. During February 2008, the Partnership paid off the construction loan using the second installment of equity received from the Investor Limited Partner as well as permanent financing obtained through Home Federal Savings and Loan Association of Shreveport in the amount of \$1,455,000. Under the terms of the loan, the Partnership will make monthly principal and interest payments of \$9,680 (7.0% per annum) until February 1, 2026 at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2008, was \$1,444,012.

The Home Federal Savings and Loan Association of Shreveport loan is non-recourse debt and is collateralized primarily by a first mortgage on the Partnership's land and buildings and an assignment of all rents and leases of the Partnership.

Bridge Loan

Eagle Pointe Development II Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City on December 20, 2006, in the amount of \$750,000. The loan bears interest at a rate of 2.5%, and will begin accruing on the date of the first disbursement of funds and compounded semi-annually on the last day of June and December each year. The entire balance of principal and all accrued and unpaid interest shall be due and payable at the time of closing of the permanent loan with Home Federal Savings and Loan Association. As of December 31, 2008, the outstanding principal balance on the loan was \$264,799. The note is secured by an Open-End Mortgage of even date granting to Lender a security interest in Borrower's interest in the property.

Second Mortgage

Eagle Pointe Development II Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City on January 10, 2007, in the amount of \$264,000. The loan bears interest at the Applicable Federal Rate, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all of Eagle Pointe II's operating expenses, the funding of adequate reserves, and the payment of any payments due or outstanding under any Construction or Permanent Financing from an institutional lender and as set forth in Eagle Pointe II's Limited Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2046. As of December 31, 2008, the outstanding principal balance on the loan was \$264,000.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Eagle Pointe Development III Limited Partnership

First Mortgage

Construction financing for the development of the project was acquired through JP Morgan Chase Bank, N.A. of Houston Texas in the principal sum of up to \$3,118,643. Interest on the construction loan will be computed using the adjusted LIBOR Rate which shall mean a per annum rate equal to this rate plus 2.50%. During February 2006, the construction loan had an outstanding balance of \$3,044,442. At such time Eagle Pointe III paid off the construction loan using the second installment of equity received from the Investor Limited Partner as well as permanent financing obtained through Home Federal Savings and Loan Association of Shreveport in the amount of \$2,312,083. Under the terms of the loan, Eagle Pointe III will make monthly principal and interest payments of \$16,166 (7.50% per annum) until March 31, 2036 at which time the note matures and all unpaid balances on the note are due and payable. The balance due as of December 31, 2008, was \$2,253,589.

The Home Federal Savings and Loan Association of Shreveport loan is non-recourse debt and is collateralized primarily by a first mortgage on Eagle Pointe III's land and buildings and an assignment of all rents and leases of Eagle Pointe III.

Second Mortgage

The Louisiana Housing Finance Agency (LHFA) has committed loan proceeds of \$422,785 to Eagle Pointe III. Of this amount, Eagle Pointe III has received \$420,285. The loan bears interest at a rate of 4.68%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest will not begin until the earlier of, the first mortgage with Home Federal Savings and Loan Association of Shreveport is paid in full or April 1, 2036, (commencement of amortization) at which time, the note will be payable in monthly principal and interest installments. In addition to the monthly installment, the accrued interest from inception of the note through commencement of amortization will be payable in equal monthly installments through April 1, 2036, which is the date all unpaid sums under the note are due and payable. The loan also details that payments shall be made only out of and to the extent of the cash flow of Eagle Pointe III after payment of all operating expenses approved by the LHFA. As a condition to obtaining this financing, the Partnership has entered into a regulatory agreement with LHFA. Rentals to tenants of low income and restrictions of rents charged are two major conditions of the regulatory agreement. Should the LHFA issue a written notice to the Partnership of an instance of noncompliance with the regulatory agreement, Eagle Pointe III has thirty days from the issuance of such notice to correct the noncompliance. The balance due as of December 31, 2008, was \$420,285.

Should the noncompliance not be corrected within the thirty days, LHFA has the authority to declare the entire amount of mortgage immediately due and payable

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Third Mortgage

Eagle Pointe Development III Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City on December 17, 2004, in the amount of \$190,000. The loan bears interest at a rate of 5.00%, which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all Borrowers' operating expenses and the funding of adequate reserves, and the payment of any payments due or outstanding under any Construction or Permanent Financing from an institutional lender and as set forth in the Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2044. The balance due as of December 31, 2008, was \$190,000.

Fourth Mortgage

Eagle Pointe Development III Limited Partnership entered into a loan agreement with the Housing Authority of the City of Bossier City on December 17, 2004, in the amount of \$412,785. The loan will bear interest at the Applicable Federal Rate which accrues on the outstanding principal. Amortization of the note and payment of accrued interest shall be made only after payment of all Borrowers' operating expenses and the funding of adequate reserves, and the payment of any payments due or outstanding under any Construction or Permanent Financing from an institutional lender and as set forth in the Partnership Agreement. The entire balance of principal and all accrued and unpaid interest shall be due and payable on December 31, 2044. During April 2006, the Partnership received the entire amount of these funds. The balance due as of December 31, 2008, was \$51,900.

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2009	\$ 25,855
2010	\$ 27,862
2011	\$ 30,025
2012	\$ 32,356
2013	\$ 34,868
Thereafter	\$2,253,588

10. LONG-TERM OBLIGATIONS

Long-term obligations of the Housing Authority (primary government) totaling \$68,967 at June 30, 2009, consist of accrued compensated absences. The following is a summary of the change in long-term obligations for the year ended June 30, 2009:

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Balance at July 1, 2008	\$ 924,761
Additions	92,565
Retirements	<u>(826,319)</u>
Balance at June 30, 2009	191,007
Less current portion of long-term obligations	<u>(122,040)</u>
Long-term obligations	<u>\$ 68,967</u>

**11. DUE FROM COMPONENT UNITS/
DUE TO PRIMARY GOVERNMENT**

The Eagle Pointes were organized by the Housing Authority for the purpose of acquiring and rehabilitating Riverwood Apartments in accordance with the Low-Income Housing Tax Credit program. The funds advanced to the Eagle Pointes were derived from non-federal sources and were utilized for the payment of construction and development costs and reimbursable operating costs incurred by the Eagle Pointes. The Due from Component Units/Due to Primary Government balances reported in the Balance Sheet includes the notes payable due to the Housing Authority by the Eagle Pointes.

The Housing Authority is the managing agent for Eagle Pointes I, II, and III. The Housing Authority receives management fees at a rate of 5.00% of the total monthly income of Eagle Pointes I and III and at a rate of 6.00% of the total monthly income of Eagle Pointe II. For the year ended June 30, 2009, management fee income accrued for Eagle Pointes I, II, and III totaled \$73,024. Accrued management fees receivable at June 30, 2009, totaled \$35,760 for the Eagle Pointes.

During the year ended June 30, 2009, the Housing Authority did not earn any developer fees from the discretely presented Eagle Pointes; however, at June 30, 2009, Eagle Point I, Eagle Pointe II, and Eagle Point III owed the Housing Authority \$9,015, \$18,885, and \$476,626, respectively, in developer fees.

The difference in the amounts of the due from component units and the due to primary government, as reflected in the balance sheet, is attributable to reporting the financial position, changes in net assets, and cash flows of Eagle Pointe I, Eagle Pointe II, and Eagle Pointe III as of and for the year ended December 31, 2008.

12. LITIGATION AND CLAIMS

At June 30, 2009, the Housing Authority was involved in one lawsuit and two claims filed by tenants of the Housing Authority's projects. Management of the Housing Authority and its legal counsel do not

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

view the lawsuit or the claims as a case of liability and will continue to vigorously defend the Housing Authority against the lawsuit and claims.

13. COMMITMENTS AND CONTINGENCIES

The Housing Authority operates in accordance with the requirements of two Annual Contribution Contracts. The Housing Authority's noncompliance with such contracts may result in a reduction of funding from HUD.

The Housing Authority has certain major renovation projects in progress at June 30, 2009, that are funded by HUD. Funds are requested periodically as the costs are incurred.

The Housing Authority participates in a number of federal grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

The Housing Authority has entered into a Guaranty of Obligations of Entity General Partners (the "Guaranty") with respect to Eagle Pointe Development I Limited Partnership, Eagle Pointe Development II Limited Partnership, and Eagle Pointe Development III Limited Partnership. Under the terms of each Guaranty, the Housing Authority unconditionally guarantees the due payment, performance, and fulfillment to Eagle Pointe I, Eagle Pointe II, and Eagle Pointe III, their limited partners, and specified affiliates of the limited partners, certain guaranteed obligations of Bossier Housing Corporation. Such obligations shall be the payment and performance of each and every guaranteed obligation of the Bossier Housing Corporation arising under the Amended and Restated Agreement of Limited Partnership and under the General Partner Closing Certificate of each partnership. Each Guaranty includes all the assets of the Housing Authority now owned or hereafter acquired, except for: (i) the property of the Housing Authority located at 805 East First Street, Bossier City, Louisiana, (ii) the property and funds controlled by the Consolidated Annual Contributions Contract No. FW 1144, including amendments, (the "ACC"), and (iii) the funds received by the Housing Authority as proceeds directly pursuant to the ACC. Each Guaranty will remain in force until all of the guaranteed obligations of the Bossier Housing Corporation have expired or been fully performed in accordance with each partnership's Amended and Restated Agreement of Limited Partnership.

14. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$2,437,352 to the Housing Authority, which represents approximately 58% of the Housing Authority's total revenue for the year.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

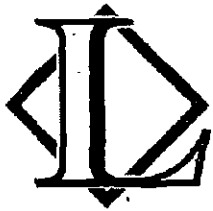
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

15. SUBSEQUENT OPERATIONS

The Housing Authority has received operating subsidy from HUD in the amount of \$560,390 through December 22, 2009. HUD has approved the 2008 Capital Fund program budget in the amount of \$667,623, all of which had been expended as of December 22, 2009. HUD has approved the 2009 Capital Fund program budget in the amount of \$704,527, of which \$101,082 had been expended as of December 22, 2009. HUD has approved the 2009 American Recovery and Reinvestment Act program budget in the amount of \$907,704, of which none of these funds had been expended as of December 22, 2009.

**Independent Auditors' Report Required
by *Government Auditing Standards***

The following independent Auditors' report on compliance with laws and regulations and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



LITTLE & ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

**Independent Auditors' Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Commissioners
Housing Authority of the City of Bossier City
Bossier City, Louisiana

We have audited the financial statements of the business-type activities, the discretely presented component units, and each major fund of the Housing Authority of the City of Bossier City as of and for the year ended June 30, 2009, and have issued our report thereon dated December 22, 2009. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Bossier City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Bossier City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Bossier City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

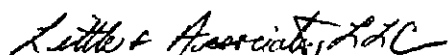
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

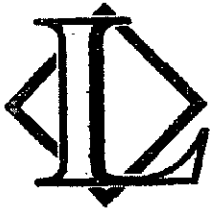
As part of obtaining reasonable assurance about whether the Housing Authority of the City of Bossier City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain matters that we reported to management of the Housing Authority of the City of Bossier City in a separate letter dated December 22, 2009.

This report is intended solely for the information and use of the board of commissioners and the management of the Housing Authority of the City of Bossier City, federal awarding agencies, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Monroe, Louisiana
December 22, 2009



LITTLE & ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

**Report on Compliance With Requirements Applicable to
Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

To the Board of Commissioners
Housing Authority of the City of Bossier City
Bossier City, Louisiana

Compliance

We have audited the compliance of Housing Authority of the City of Bossier City with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Housing Authority of the City of Bossier City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the City of Bossier City's management. Our responsibility is to express an opinion on the Housing Authority of the City of Bossier City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Bossier City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Housing Authority of the City of Bossier City's compliance with those requirements.

As described in item 2009-1 in the accompanying schedule of findings and questioned costs, the Housing Authority of the City of Bossier City did not comply with requirements regarding homeless representation on the Board of Commissioners of the Housing Authority of the City of Bossier City.

In our opinion, except for the noncompliance described in the preceding paragraph, the Housing Authority of the City of Bossier City complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Housing Authority of the City of Bossier City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the City of Bossier City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Bossier City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2009-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

The Housing Authority of the City of Bossier City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Housing Authority of the City of Bossier City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the board of commissioners and the management of the Housing Authority of the City of Bossier City, federal awarding agencies, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Little & Associates, LLC

Monroe, Louisiana
December 22, 2009

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

A. SUMMARY OF AUDIT RESULTS

Financial Statement Audit

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the Housing Authority of the City of Bossier City, Louisiana.
2. No significant deficiencies and, thus, no material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material, as defined by *Government Auditing Standards*, to the financial statements of the Housing Authority of the City of Bossier City, Louisiana were disclosed during the audit.

Audit of Federal Awards

5. One significant deficiency relating to the audit of the major federal award programs is reported in the Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133.
4. The auditors' report on compliance for the major federal award programs for the Housing Authority of the City of Bossier City, Louisiana expresses a qualified opinion on major programs.
5. There is one audit finding that is required to be reported in accordance with Section 510(a) of OMB Circular A-133.
6. The programs tested as major programs included:

CFDA #14.850	Public and Indian Housing
CFDA #14.238	Shelter Plus Care
7. The threshold used for distinguishing Type A and B programs was \$300,000.
8. The Housing Authority of the City of Bossier City, Louisiana did not qualify as a low-risk auditee.

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None Reported.

C. FINDINGS - MAJOR FEDERAL AWARDS PROGRAM AUDIT

The finding noted below resulted from HUD's monitoring of the Shelter Plus Care program.

CFDA No. 14.238 Shelter Plus Care

FINDING NO. 2009-1: No Homeless Representation on the Board

Condition: The Housing Authority does not have homeless persons or formerly homeless persons participating in the policy decision-making process.

Criteria: In accordance with 24 CFR 583.300(f)(1), each recipient must provide for the participation of not less than one homeless or formerly homeless person on the board of directors or other equivalent policy-making entity of the recipient as required in section 426(g) of the McKinney Act (42 U.S.C. 11386(g)).

Cause: The grantee was not aware that this was a regulatory requirement.

Effect: Policies and decisions are rendered without the valuable input of the homeless or formerly homeless.

Corrective Action: The Housing Authority of the City of Bossier City must provide for the participation of at least one homeless or formerly homeless person on their board. This requirement is waived if the Housing Authority is unable to meet it and presents a plan for HUD approval to otherwise consult with homeless or formerly homeless persons in considering and making policies and decisions.

Views of Responsible Officials and Planned Corrective Actions: The Housing Authority is requesting a waiver from HUD due to the Housing Authority being unable to meet the requirement to have a homeless or formerly homeless person on the Board of Commissioners. The waiver includes a plan that will require the Housing Authority to consult with homeless or formerly homeless individuals in considering and making policies and decisions. The Housing Authority has made at least three attempts to comply with this requirement through waiver request submitted the Field Office. To date the request has been deemed unacceptable and not compliant. The Housing Authority, no later than March 15, 2010 will request technical assistance from the Director of the CPD program of why the submitted plan is not acceptable and

**HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana**

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009**

specifically what is needed to bring the waiver request into compliance. The Housing Authority's position was and continues to be the waiver request is fully compliant with the intent and letter of the regulation and with further guidance from the field office the Housing Authority fully intends to be compliant in all aspects of the subject program.

Status: This finding remains unresolved.

Person Responsible For Corrective Action:

Mr. Bill McDonald
Assistant Executive Director
805 East First Street
Bossier City, Louisiana 71171

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2009

The status of the audit findings reported for the year ended June 30, 2008, is as follows:

FINDING NO. 2008-1: Failure to Provide Adequate Documentation of Disability

Condition: Twelve (12) client files were reviewed and seven (7) did not contain adequate documentation of the disability.

Status: Resolved.

FINDING NO. 2008-2: Failure to Provide Termination Policy

Condition: The Housing Authority of the City of Bossier City did not have written procedures for termination and due process.

Status: Resolved.

FINDING NO. 2008-3: Failure to Determine Rent Reasonableness

Condition: Grantee failed to document that the rent paid for the leased structure was reasonable in relation to the rents being charged for comparable space.

Status: Resolved.

FINDING NO. 2008-4: No Homeless Representation on the Board

Condition: The Housing Authority does not have homeless persons or formerly homeless persons participating in the policy decision-making process by serving on the Board of Commissioners.

Status: Not Resolved. See Current Year Finding 2009-1.

Supplemental Information Schedules

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2009

The members of the Board of Commissioners serve a staggered five-year term without compensation. The Board consists of the following members at June 30, 2009:

Ms. Vita M. Gregorio
414 Highland Drive
Bossier City, LA 71111-2238
(318) 747-0671

Mr. Joseph Littlejohn
111 Robert E. Lee Place
Bossier City, LA 71111-5025
(318) 227-5030

Mr. Charles Maxie
1403 Gibson Circle North
Bossier City, LA 71112-3383
(318) 741-3138

Ms. Clara M. Taylor
1785 Southview Drive
Bossier City, LA 71112-2045
(318) 747-9763

Mr. Francisco (Frank) Vela
3635 Green Acres Drive, #352
Bossier City, LA 71111-2160
(318) 752-4912

Schedule 4

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	EXPENDITURES
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Programs:			
Public and Indian Housing	14.850		\$ 1,283,869
Public Housing Capital Fund	14.872		826,333
Shelter Plus Care	14.238		327,150
Total U.S. Department of Housing and Urban Development - Direct Programs			<u>2,437,352</u>
Total Expenditures of Federal Awards			<u>\$ 2,437,352</u>

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
Bossier City, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's basic financial statements.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

General:	
Operating Subsidy	\$1,283,869
Capital Fund Program	826,333
Shelter Plus Care	<u>327,150</u>
Total	<u>\$2,437,352</u>

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with U. S. generally accepted accounting principles.

4. FEDERAL AWARDS

In accordance with HUD Notice PIH 98-14, "federal awards" do not include the Housing Authority's operating income from rents or investments (or other non-federal sources). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended" during the fiscal year.

Financial Data Schedule

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

Entity Wide Balance Sheet Summary

LA042	06/30/2009	Audited/A-133	Project Total	1	14,182	B	14,238	COC	Subtotal	ELIM	Total
111 Cash - Unrestricted		585716	179938		425229				1190883		1190883
112 Cash - Restricted - Modernization and Development					4848				4848		4848
113 Cash - Other Restricted					301320				301320		301320
114 Cash - Tenant Security Deposits		88463	30088		43288				142808		142808
115 Cash - Restricted for Payment of Current Liabilities											
100 Total Cash		655189	210006		774885		0	0	1639860	0	1639860
121 Accounts Receivable - PHA Projects											
122 Accounts Receivable - HUD Other Projects		328422					61078		387500		387500
124 Accounts Receivable - Other Government											
125 Accounts Receivable - Miscellaneous											
126 Accounts Receivable - Tenants		20865	32273		11446				84584		84584
128 1 Allowance for Doubtful Accounts - Tenants		-5407	-12113		0				-15820		-15820
1282 Allowance for Doubtful Accounts - Other		0					0		0		0
127 Notes, Loans, & Mortgages Receivable - Current											
128 Fraud Recovery		360							360		360
128 1 Allowance for Doubtful Accounts - Fraud		0							0		0
128 Accrued Interest Receivable			5819						5819		5819
120 Total Receivables, Net of Allowance for Doubtful Accounts		342240	27879		11446		61078	0	442643	0	442643
131 Investments - Unrestricted			117557					26827	1203384		1203384
132 Investments - Restricted		631277	0						631277		631277
133 Investments - Restricted for Payment of Current Liability											
142 Prepaid Expenses and Other Assets		83865	28315		30501			17217	158888		158888
143 Inventories								41042	41042		41042
143 1 Allowance for Obsolete Inventories								0	0		0
144 Inter Program Due From			751952					553061	1305013	-1305013	0
145 Assets Held for Sale											
150 Total Current Assets		1712351	2195709		818632		61078	637147	5422917	-1305013	4117904
161 Land		723011	63500		36500				823011		823011
162 Buildings		18778031	1368095		11774840				31421886		31421886
163 Furniture, Equipment & Machinery - Dwellings		253829			853988				1207187		1207187
164 Furniture, Equipment & Machinery - Administration		183351	159318					215779	538448		538448
165 Leasehold Improvements		1948637	7334		14000				1970971		1970971
166 Accumulated Depreciation		-15552584	-689370		-1040724			-203513	-17458191		-17458191
167 Construction in Progress		461828			81858			0	543784		543784
168 Infrastructure											
160 Total Capital Assets, Net of Accumulated Depreciation		8277201	939877		11818842		0	12266	19046186	0	19046186

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

171 Notes, Loans and Mortgages Receivable - Non-Current	680600			580900	680900
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due					
173 Grants Receivable - Non-Current					
174 Other Assets	118359	376788		495147	495147
175 Investments in Joint Ventures					
180 Total Non-Current Assets	6277201	1739136	0	20225233	20225233
190 Total Assets	7999552	3834845	61078	25648150	24343137
311 Bank Overdraft					
312 Accounts Payable < 90 Days	43743	46319	3317	322339	325658
313 Accounts Payable > 90 Days Past Due			8409	48316	147787
321 Accrued Wages/Payroll Taxes Payable		10026		14017	24043
322 Accrued Compensation Advances - Current Portion	8696	45018		88323	122040
324 Accrued Contingency Liability					
325 Accrued Interest Payable			33808	33806	33806
331 Accounts Payable - HUD PHA Programs					
332 Accounts Payable - PHA Projects	97736			87736	97736
333 Accounts Payable - Other Government	58881	27897	37751	125629	125629
341 Tenant Security Deposits	5122	5332	5074	15528	15528
342 Deferred Revenues			317096	317096	317096
343 Current Portion of Long-Term Debt - Capital Projects/Mortgage Revenue Bonds					
344 Current Portion of Long-Term Debt - Operating Borrowings			0	0	0
345 Other Current Liabilities					
348 Accrued Liabilities - Other					
347 Intra-Program - Due To	505588		1383378	1950863	845050
349 Loan Liability - Current					
310 Total Current Liabilities	720769	134692	47472	3159384	1854371
351 Long-Term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-Term Debt, Net of Current - Operating Borrowings					
353 Non-Current Liabilities - Other					
354 Accrued Compensation Advances - Non-Current	21873	17051		166277	166277
355 Loan Liability - Non-Current				88968	88968
358 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	21873	17051	0	6186373	6186373
300 Total Liabilities	742442	151743	47472	9345767	8040744
508 : Invested in Capital Assets, Net of Related Debt					
509 2 Fund Balance Reserved	6277201	939877	0	12780952	12780952
511 2 Unreserved, Designated Fund Balance					
511 : Retained Net Assets	631277		0	631277	631277

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

512.1 Unrestricted Net Assets	338632	2843225	0	-455592	13606	150283	2890154	2890154
512.2 Unrestricted, Unassigned Fund Balance								
513 Total Equity/Net Assets	7247110	3783102		5086026	13606	162549	16302393	16302393
600 Total Liabilities and Equity/Net Assets	7989552	3934845	0	13013262	61078	649413	25848150	24343137

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

Entity Wide Revenue and Expense Summary

LA042	06/30/2009	Audited/A-133	Project Total	1	14,182	6	14,238	COC	Subtotal	ELIM	Total
70000 Not Tenant Rental Revenue			585591	823359		1009812			2519762		2519762
70400 Tenant Revenue - Other			39219	34958		40059			114236		114236
70500 Total Tenant Revenue			725810	858317	0	1049871	0	0	2633998	0	2633998
70600 HUD PHA Operating Grants			1560807			0	327150		1908057		1908057
70610 Capital Grants			528295			1130742			1650037		1650037
70710 Management Fee								708505	708505	-708505	0
70720 Asset Management Fee								38438	38438	-38438	0
70730 Book Keeping Fee								51250	51250	-51250	0
70740 Front Line Service Fee											
70750 Other Fees											
70700 Total Fee Revenue								799193	799193	-799193	0
70800 Other Government Grants											
71100 Investment Income - Unrestricted				41779				1155	42834		42834
71200 Mortgage Interest Income				31038					31038		31038
71300 Proceeds from Disposition of Assets Held for Sale											
71310 Cost of Sale of Assets											
71400 Fraud Recovery											
71400 Other Revenue			8070	82932		15532		2028	108560		108560
71600 Gain or Loss on Sale of Capital Assets			879	-28328				7500	-20889		-20889
72000 Investment Income - Restricted			7623	0		2057			9680		9680
70000 Total Revenue			2650584	884738	0	2198202	327150	809954	7170628	-799193	6371435
91100 Administrative Salaries			96628	197044		112375		258809	682854		682854
91200 Auditing Fees			13692	2636		16500			32828		32828
91300 Management Fee			709505			0			709505	-709505	0
91310 Book-keeping Fee			51250			0			51250	-51250	0
91400 Advertising and Marketing			1026	382		1768			3156		3156
91500 Employee Benefit Contributions - Administrative			32252	72230				90973	195455		195455
91600 Office Expenses			16777	73984		4752	84	302969	398578		398578
91700 Legal Expense			2334	1363		7228			10826		10826
91800 Travel			5948	20624					26570		26570
91810 Allocated Overhead											
91800 Other			2020			145214			148234		148234
91000 Total Operating - Administrative			931426	366263	0	288837	84	650761	2239353	-760755	1478598
92000 Asset Management Fee											
92100 Tenant Services - Salaries			38438			0			38438	-38438	0
			51280					1048	52308		52308

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

92000 Relocation Costs	62					62			62
92000 Employee Benefit Contributions - Tenant Services	33569					33569			33569
92000 Tenant Services - Other	0	1199				1199			1199
92500 Total Tenant Services	84891	1199	0	0	0	87138	0	0	87138
93000 Water	154981					154981			154981
93100 Electricity	15758	31116				46874			46874
93200 Gas	3974	2874				6848			6848
93400 Fuel									
93500 Labor									
93600 Sewer		81023				81023			81023
93700 Employee Benefit Contributions - Utilities									
93800 Other Utilities Expense		766				766			766
93900 Total Utilities	174723	115581	0	0	0	290304	0	0	290304
94000 Ordinary Maintenance and Operations - Labor	278857	225634				504491			504491
94100 Ordinary Maintenance and Operations - Materials and Other	114783	124927				239710			239710
94200 Ordinary Maintenance and Operations - Contracts	113743	177378				291121			291121
94300 Employee Benefit Contributions - Ordinary Maintenance	90000	87648				177648			177648
94500 Total Maintenance	595383	615588	0	0	0	1210971	0	0	1210971
95000 Protective Services - Labor									
95100 Protective Services - Other Contract Costs	93680	39677				133357			133357
95200 Protective Services - Other									
95300 Employee Benefit Contributions - Protective Services									
95500 Total Protective Services	93680	39677	0	0	0	133357	0	0	133357
96000 Property Insurance	93855	37350				131205			131205
96100 Liability Insurance	19222	12450				31672			31672
96200 Workmen's Compensation	1395					1395			1395
96300 All Other Insurance	1124					1124			1124
96400 Total Insurance Premiums	115596	49800	0	0	0	165396	0	0	165396
96500 Other General Expenses	649	395270				395919			395919
96600 Compensated Absences	97	11330				11427			11427
96700 Payments in Lieu of Taxes	51039					51039			51039
96800 Bad debt - Tenant Rents	30898	28508				59406			59406
96900 Bad debt - Mortgages									
97000 Bad debt - Other									
97100 Severance Expense									
97200 Total Other General Expenses	92683	433108	0	0	0	525791	0	0	525791
98000 Interest of Mortgage (or Bonds) Payable									
98100 Interest on Notes Payable (Short and Long Term)									
98200 Amortization of Bond Issue Costs									

HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY
FINANCIAL DATA SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

96700 Total Interest Expense and Amortization Cost	0	11353	0	402176	0	0	413531	0	413531
96800 Total Operating Expenses	2118222	1634556	0	1068298	84	748938	5566688	-799193	4767505
97000 Excess of Operating Revenue over Operating Expenses	733782	-640818	0	1131904	327066	61016	1603830	0	1603830
97100 Extraordinary Maintenance									
97200 Casualty Losses - Non-Compensated									
97300 Housing Assistance Payments					320004		320004		320004
97350 MAP Portability-in									
97400 Depreciation Expense	807684	73988		380631		7114	1269417		1269417
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payments - Governmental Funds									
97800 Dwelling Unit Rent Expense			0	1446929	320088	758052	7156119	-799193	6356926
98000 Total Expenses	2924508	1708544	0						
10010 Operating Transfer In	133597						133597		133597
10020 Operating Transfer Out	-133597						-133597		-133597
10000 Operating Transfers from/to Primary Government									
10040 Operating Transfers from/to Component Unit									
10050 Proceeds from Notes, Loans and Bonds									
10060 Proceeds from Property Sales									
10070 Extraordinary Items, Net Gain/Loss									
10080 Special Items (Net Gain/Loss)									
10091 Inter Project Excess Cash Transfer In									
10092 Inter Project Excess Cash Transfer Out	60666					60666	60666		60666
10093 Transfers between Program and Project - In									
10094 Transfers between Project and Program - Out	-1437		-1437	0	0	-59229	0	0	0
10100 Total Other Financing Sources (Uses)	60666	0	-1437	0	0	-59229	0	0	0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-13256	-723809	-1437	751273	7082	-5327	14509	0	14509
11020 Required Annual Debt Principal Payments	0	750000	0	1856713	0		2606713		2606713
11030 Beginning Equity	7260366	4424077	84268	4344753	6544	167876	16287884		16287884
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	0	82831	-82831	0	0	0	0		0
11050 Changes in Compensated Assistance Balance									
11060 Changes in Contingent Liability Balance									
11070 Changes in Unrecognized Pension Transition Liability									
11080 Changes in Special Term-Sovereign Benefits Liability									
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents									
11100 Changes in Allowance for Doubtful Accounts - Other									
11170 Administrative Fee Equity									
11180 Housing Assistance Payments Equity		2148	0	1824	900		10004		10004
11190 Unit Months Available	5232								

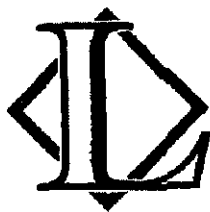
HOUSING AUTHORITY OF THE CITY OF BOSSIER CITY

FINANCIAL DATA SCHEDULE

AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

1210 Number of Unit Months Leased	4576	1797	781	0	9148	9148
1270 Excess Cash	-22130				-22130	-22130
11610 Land Purchases	0			0	0	0
11620 Building Purchases	493926			0	493926	493926
11630 Furniture & Equipment - Dwelling Purchases	20893			0	20893	20893
11640 Furniture & Equipment - Administrative Purchases	12502			0	12502	12502
11650 Leasehold Improvements Purchases	1975			0	1975	1975
11660 Infrastructure Purchases	0			0	0	0
13510 CFFP Debt Service Payments	0			0	0	0
13901 Replacement Housing Factor Funds	0			0	0	0

Management Letter



LITTLE & ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

December 22, 2009

Board of Commissioners
Housing Authority of the City of
Bossier City, Louisiana
805 East First Street
Bossier City, Louisiana 71171

In planning and performing our audit of the financial statements of the Housing Authority of the City of Bossier City, Louisiana ("Housing Authority") as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Housing Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

However, during our audit we became aware of a certain matter that we deemed necessary to discuss with you. A summary of our comments regarding such matter are included in ML-2009-01 below. A separate report dated December 22, 2009, contains our report on significant deficiencies in the Company's internal control. This letter does not affect our report dated December 22, 2009, on the financial statements of the Housing Authority.

We will review the status of these comments during our next audit engagement. We have already discussed the matter noted below with various Housing Authority personnel, and we will be pleased to discuss them in further detail at your convenience.

Sincerely,

Little & Associates, LLC

ML-2009-01

In accordance with state statute, the Housing Authority of the City of Bossier City's annual financial statements and accompanying independent auditors' report are required to be submitted to the Office of the Legislative Auditor on or before December 31 of each year. The Housing Authority of the City of Bossier City's annual financial statements and accompanying independent auditors' report for the year ended June 30, 2009, were not submitted to the Legislative Auditor by December 31, 2009, for the following reason:

The U. S. Department of Housing and Urban Development ("HUD") requires that each Housing Authority ("Authority") include an Audited Financial Data Schedule ("FDS") as supplementary information in the Authority's financial reporting package submitted to HUD. HUD also requires that the Independent Auditor issue a SAS 29 opinion on the FDS. The Authority's financial reporting package is submitted electronically to HUD through HUD's Real Estate Assessment Center ("REAC"). The FDS portion of the financial reporting package is prepared and submitted in a format that is prescribed by HUD-REAC. For fiscal year ends ending June 30, 2009, and thereafter, HUD-REAC has prescribed a new format for the FDS. This new format is significantly more complex than the previous FDS. Based on discussions with HUD-REAC personnel, HUD-REAC has a significant backlog in reviewing and approving Audited and Unaudited FDS submissions. The FDS is originally submitted by the Authority as an Unaudited FDS. An Audited FDS subsequently is submitted after HUD's approval or conditional acceptance of the Unaudited submission. As of the date of this letter, the Unaudited and Audited FDS submissions for the Housing Authority have not been approved by HUD-REAC. As such, the Housing Authority of the City of Bossier City was not able to submit its report to the Legislative Auditor by December 31, 2009.

Auditee Response and Corrective Action: While Management of the Housing Authority agrees with the comments noted above, Management believes that the primary cause for the failure in timely submitting the Housing Authority's financial report was due to HUD-REAC's delays in implementing its new FDS system which has caused a backlog in approving unaudited and audited submissions. Management always has strived to meet the state's reporting deadline and will continue to strive to meet future years' reporting deadlines.

Person Responsible for Corrective Action:

Mr. Bill McDonald
Assistant Executive Director
805 East First Street
Bossier City, Louisiana 71171